



GARVEY SCHOOL DISTRICT

2730 North Del Mar Avenue, Rosemead, CA 91770
(626) 307-3404 FAX (626) 307-3232
Michael Coughlin, Assistant Superintendent, Business Services

DOCKET FILE COPY ORIGINAL

BOARD OF EDUCATION

Felipe Agredano
Bob Bruesch
Irene Flores
Henry Lo
John Yuen

SUPERINTENDENT
Virginia Peterson

July 5, 2007

RECEIVED & INSPECTED

JUL 12 2007

FCC - MAIL ROOM

Federal Communications Commission
Office of the Secretary
445 12th Street SW
Washington, DC 20054

Re: CC Docket Number: 02-6
Applicant's Form Identifier: 471-YR6-PB
Form 471 Application Number: 366564
Billed Entity Number: 143605
FCC Registration Number: 0009026691
Funding Year: 2003
FRN: 996572

Dear Sir/Madam:

I am writing to appeal the denial by the Universal Service Administrative Company on June 5, 2007.

The basis of USAC's denial of our appeal is its assertion that the District "...did not pay the non-discount portion of the products and services to the service provider more than ninety days after the completion of service." USAC has issued a Recovery of Improperly Disbursed Funds Letter, seeking to recover the \$243,125 it has disbursed to the vendor, Datacom. Our argument against USAC's position follows.

In order to meet its goal of increased student achievement, the District decided to invest in the infrastructure necessary to establish a high speed internet connection. As a result, on September 25, 2002, the Board of Education approved a contract with Datacom in the amount of \$632,190. The services to be provided included trenching, installation of conduit and cabling and 650 wire drops. The contract covered work to be done at all 13

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schools as well as the District Office. A copy of the meeting minutes and the information provided to the Board are enclosed.

On October 2002, the District issued a check to Datacom in the amount of \$69,540.90, which represented an 11% down payment of the contract amount. At that time, as noted in the information given to the Board of Education on September 25, no e-rate funding for Internal Connections had been awarded for 2002-03. A copy of the Purchase Order is enclosed; the reference to Duff Elementary was made because that school was the first to be worked on.

During the 2002-03 school year, Datacom completed work at 7 schools and the District Office. Because the District's application for e-rate funding was not approved, the District paid Datacom the full cost of those projects, a total of more than \$362,000, including the applicable down payments.

The District applied again for e-rate funding in 2003-04 for Internal Connections. The funds would be for the work to be done at the 6 remaining schools. The amount requested was \$270,171.42; USAC committed \$243,154.28. The Board of Education approved a contract with Datacom for \$270,171.42 on July 10, 2003. A copy of the minutes and the information provided to the Board are enclosed.

During the 2003-04 school year, Datacom completed the work at the remaining school sites and received \$242,325 from USAC. The District paid nothing further to Datacom, utilizing the balance of the down payment made in October 2002 as its share of the amount due the vendor.

I am also enclosing a spreadsheet Datacom prepared indicating how it accounted for funds received from both USAC and the District.

USAC correctly notes in its June 5 letter that the \$69,540.90 check paid to Datacom was dated October 11, 2002, which is before the start of Funding Year 2003. That the District made the down payment to Datacom based on the total value of the original contract underscores the priority this project was given by the Board. Not receiving any e-rate funding in 2002-03 did not deter the District from moving forward and bearing the entire cost of the work completed in that year. The purpose of the e-rate program is to assist low-wealth school districts to improve student achievement through

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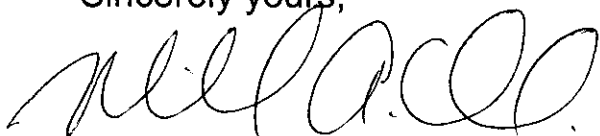
July 5, 2007

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upgraded technology. The undertaking described in this letter is precisely why e-rate was established.

After you have reviewed our letter and the accompanying documents, I am confident that the FCC will reverse USAC's decision and grant our appeal. If you require any additional information, please contact the undersigned. Thank you for your consideration.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Michael Coughlin", written in a cursive style.

Michael Coughlin
Assistant Superintendent, Business Services

enclosures

Business Services

- (112) *Approved Purchase Order Report #02-03-03. Consent.*
- (113) Pursuant to Government Code Section 66006 (b) (1) each agency shall make available to the public, information on Developer Fees collected; therefore, this information was presented in the reference. The total amount collected was \$179,278, plus interest income of \$24,406, for a grand total of \$203,684.
- (114) Ms. Boden gave a presentation on the 2001-02 Unaudited Actuals Financial Reports. On the motion of Mr. Nunez, seconded by Ms. Flores and carried, the Board approved the reports.
- (115) Ratified use of "Piggyback" clause from San Gabriel U.S.D. bid # 02-98-99 with Mod Craft for concrete and asphalt for nine (9) Head Start portable classrooms. Total, not to exceed \$109,110.59, is to be paid from Head Start Program Improvement Funds (PIF). *Consent.*
- (116) On the motion of Mr. Nunez, seconded by Ms. Flores and carried, the Board gave permission to use the "Piggyback" clause from Glendale U.S.D. bid WSCAPA#P15-99-00 with Compaq Computers for 184 teacher workstations and printers. The total amount is not to exceed \$252,656, to be paid from General Fund.

Ms. Sharon Sharp explained how the "piggyback" bids work, noting that the Western States Contract Alliance has already gone out and gotten the lowest possible bids; school districts are then allowed to piggyback onto them to get those prices.

10:00 p.m. It was moved by Mr. Tran, seconded by Mr. Nunez and carried, to extend the meeting to 12 midnight.

- (117) On the motion of Mr. Nunez, seconded by Ms. Flores and carried, the Board approved the contract with DATACOM, Inc., in the amount of \$632,190 for cable and conduit installation and drops in connection with the telecommunication upgrade project.

A priority list as to what schools would be first was requested.

- (118) Approved District Procurement Procedures as required by Corrective Action Plan for Head Start Program. *Consent.*
- (119) Approved District Fixed Assets Procedure as required by Corrective Action Plan for Head Start Program. *Consent.*

PUBLIC AGENDA ITEMS

- None were requested.

OTHER ITEMS OF INTEREST TO THE BOARD

Mr. Yuen noted he wanted to clarify comments he had made regarding the last meeting. He stated that he believed the meeting was legal; however, it was not good practice; that it is not good to conduct meetings that way and it is not good for the public.

**Garvey School District
Rosemead, California**

TO: Members of the Board of Education
FROM: Dr. William V. Loose
PREPARED BY: Camille Boden, Assistant Superintendent, Business
DATE: September 25, 2002
SUBJECT: Approval of Contract

BACKGROUND INFORMATION

On January 10, 2002 the Board approved a contract with Standard Tel, Inc. (GSA Contractor's Number: GS-35f-0398K expires 9/30/2005, CMAS #: 3-97-58-0063A expires 9/30/2002, SPIN # 143011883) for the following project:

PROJECT	COST
TRENCHING, CONDUIT INSTALLATION, CABLE INSTALLATION TERMINATION, & RESURFACING	\$501,890.00
STAND INSIDE WIRE 650 DUAL DROPS	130,300.00
TELEPHONE SYSTEMS HARDWARE/ SOFTWARE, AUTO ATTENDANT/VOICE MAIL AND INSTALLATION	853,923.00
ROUTERS	37,835.00
TAX	125,725.71
TOTAL	\$1,649,673.71

CURRENT CONSIDERATIONS

The District applied for E-Rate funding for conduit and trenching under internal connections, and an upgrade phone system under telecommunications. To date, the School and Libraries Division has not awarded any E-rate funds for internal connections for 2002-03. The District has decided to continue with the project and would like to award a contract directly to the cabling subcontractor under *their* SPIN number.

Awarding a contract directly to Data Com Inc. as a contractor versus subcontractor will save the District approximately \$70,000. Contracts would breakdown as follows:

DATA COM INC	COST
TRENCHING, CONDUIT INSTALLATION, CABLE INSTALLATION TERMINATION, & RESURFACING	\$501,890.00
STAND INSIDE WIRE 650 DUAL DROPS	130,300.00
TOTAL*	\$632,190.00
STANDARD TEL INC	COST
TELEPHONE SYSTEMS HARDWARE/ SOFTWARE, AUTO ATTENDANT/VOICE MAIL AND INSTALLATION	853,923.00
ROUTERS	37,835.00
TOTAL *	\$891,758.00

*Amounts do not include tax

FINANCIAL IMPLICATIONS

District would save approximately \$70,000 from Bond Fund.

STAFF RECOMMENDATION

It is recommended that the Board of Trustees approve contract with Data Com, Inc. for \$632,190.

Order

THIS PURCHASE ORDER NO. MUST APPEAR ON ALL SHIPPING MATERIAL AND CORRESPONDENCE : P.O. #

PMT3012

083	ACCT PAYABLE PHONE NO. 626 307-3406 EXT.	BID/QUOTE/CONTRACT NO	QUOTE BY	DELIVERY HOURS 7:00 AM - 2:00 PM (Mon.-Fri.)
ca - Garvey SD	BUYER FAX NO 626 572-4871	VENDOR NO 0000000201	VENDOR PHONE NO	VENDOR FAX NO
NE NUMBER EXT.	REQUESTOR NAME	PO TERMS 30D	WAREHOUSE INSTRUCTIONS (DELIVER TO) Purchasing Office	SHIP VIA UPS

KEY ELEM SCHOOL DIST.

Del Mar Avenue
CA 91770

TO

DATA COM
2517 S. SANTA FE
VISTA 92083 8227

SHIP TO

Central Warehouse
2730 N. Del Mar Avenue
Rosemead CA 91770

ITEM DESCRIPTION	QTY	UNIT	COST	EXTEN
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TELECOMMUNICATION UPGRADE PROJECT; CABLING & CONDUIT INCLUDING TRENCHING;
TOTAL PROJECT COST \$632,190.00 SCHOOL #1 DUFF ELEMENTARY 11% OF \$632,190

1.00	EA	69,540.90	69,540.90
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Sub Total
Total Tax Amount
Total Frt Amount
Total PO Amount

00.0-00000-85000-6152-0000000 -RQ: -\$ 69,540.90

Chris
AUTHORIZED/APPROVAL

each site will remain with T1 lines and that initially the DS3 aggregation will take place in the District Office. She stated that with this aggregation, the speed of computers in the classroom will increase. Mr. Nieberg provided copies of the amendments to the contract. Ms. Flores thanked the staff for the good presentation made to them yesterday on these expenditures. Dr. Loose also expressed thanks to the staff and Mr. Nieberg for making the presentation possible.

- (026) Approved contract with Data Com in the amount of \$1,465,084.00 for Internal Connection (Data/Network/cabling/conduit). Project to be paid 90% with E-rate funding and 10% from bond funds.
- (027) Approved contract with Standard Tel in the amount of \$462,084.00 for Internal connection (Data/Network/Cabling/Conduit). Projects to be paid 90% with E-rate funding and 10% from bond funds.
- (028) Approved contract with Data Com in the amount of \$270,171.42 for Telecommunications (Telephone System Upgrade). Project to be paid 90% with E-rate funding and 10% from bond funds.
- (029) Approved contract with Standard Tel in the amount of \$302,947.64 for Telecommunications (Telephone System Upgrade) Project to be paid 90% with E-rate funding and 10% from bond funds.
- (030) Approved contract with Pacific Bell in the amount of \$84,362.00 for installation of a DS3 Project to be paid 89% with E-rate funding and 11% from bond funds.
- (031) Approved contract with Fandel Enterprises for consulting services for Telecommunications (upgraded phone system) and Internal Connections Upgrade Project for 2003-04; total cost not to exceed \$41,000, to be paid from bond funds.
- (032) Approved contract with Computer Consulting Services to provide support and updates to purchase requisition software for 2003-04; total cost not to exceed \$9000/year, to be paid from General funds. Consent.
- (033) Approved contract with Emergency Services group to provide safety and emergency preparedness training and exercises, prevention & mitigation programs for 2003-04 in the amount of \$1,442 per month; to be reimbursed through mandated costs. Consent.
- (034) On the motion of John Tran seconded by Ms. Flores and carried, approved to award bid to lowest bidder, Pardess Air, Inc., for Replacement of Air Conditioning Project at Bitely Elementary School. Total cost of \$126,000 to be paid with measure G Fund. Bid Number 03-06.

In response to questions from Ms. Gonzalez, Mr. Reynolds stated that it was a challenge finding the lowest bidder due to workers compensation issues and roofing license requirements. Mr. Nieberg stated that the District will request that the contractor sign a waiver addressing workers compensation and subcontracting issues, and to ensure that they submit a copy of their roofing license.

**Garvey School District
Rosemead, California**



TO: Members of the Board of Education
FROM: Dr. William V. Loose
PREPARED BY: Camille Boden, Assistant Superintendent, Business
DATE: July 10, 2003
SUBJECT: Approval of E-Rate Contract with Data Com, Inc (network)-\$1,465,084.00
Approval of E-Rate Contract with Standard Tel (network)-\$480,769.00
Approval of E-Rate Contract with Data Com, Inc (telephone)-\$270,171.42
Approval of E-Rate Contract with Standard Tel (telephone)-\$343,591.00
Approval of E-Rate Contract with SBC/Pacific Bell (DS3)-\$84,362.00

BACKGROUND INFORMATION

The District applied for E-Rate funding for:

- Trenching, conduit and cabling to upgrade the district network (all sites)
- the second phase of our phone system upgrade for Sanchez Elementary, Temple Intermediate, Willard Elementary, Williams Elementary, Marshall Elementary and Garvey Intermediate
- installation of a DS3 for the district

CURRENT CONSIDERATIONS

The District has received (to date) E-Rate funding totaling \$ 2,430,735.73. Notices to Proceed and scheduling of projects must begin immediately to take advantage of the summer school schedule.

FINANCIAL IMPLICATIONS

PROJECT:	DS3 Installation	
CONTRACTOR:	SBC/Pacific Bell	
CONTRACT AMOUNT:	\$84,362.00	
School	Description of Service/Work to be Performed	Funding
District Office	Installation of DS3	\$84,362.00
Total Requested:		\$84,362.00
Ineligible Amount:		\$0.00
Total Possible Contract Amount Eligible for E-rate Program:		\$84,362.00
89% Paid By E-rate Funds		\$75,082.18
11% District Share		\$9,279.82

PROJECT: Telephone System Upgrade

CONTRACTOR: Data Com

CONTRACT AMOUNT: \$270,171.42

School	Description of Service/Work to be Performed	Funding
Garvey Intermediate	Trenching, installation of conduit & cabling	\$45,028.57
Marshall School	Trenching, installation of conduit & cabling	\$45,028.57
Sanchez Elementary	Trenching, installation of conduit & cabling	\$45,028.57
Temple Intermediate	Trenching, installation of conduit & cabling	\$45,028.57
Willard Elementary	Trenching, installation of conduit & cabling	\$45,028.57
Williams Elementary	Trenching, installation of conduit & cabling	\$45,028.57

Total Requested: \$270,171.42

Ineligible Amount: \$0.00

Total Possible Contract Amount Eligible for E-rate Program: \$270,171.42

90% Paid By E-rate Funds \$243,154.28

10% District Share \$27,017.14

PROJECT: Telephone System Upgrade

CONTRACTOR: Standard Tel

CONTRACT AMOUNT: \$343,591.56

School	Description of Service/Work to be Performed	Funding
Garvey Intermediate	Installation of Telephone Hardware/Software	\$57,265.26
Marshall School	Installation of Telephone Hardware/Software	\$57,265.26
Sanchez Elementary	Installation of Telephone Hardware/Software	\$57,265.26
Temple Intermediate	Installation of Telephone Hardware/Software	\$57,265.26
Willard Elementary	Installation of Telephone Hardware/Software	\$57,265.26
Williams Elementary	Installation of Telephone Hardware/Software	\$57,265.26

Total Requested: \$343,591.56

(telephones, mail box licenses, paging package & PC Anywhere software)

Ineligible Amount: \$40,643.80

Total Possible Contract Amount Eligible for E-rate Program: \$302,947.76

90% Paid By E-rate Funds \$272,652.88

10% District Share \$30,294.77

PROJECT: Data Network Upgrade

CONTRACTOR: Data Com

CONTRACT AMOUNT: \$1,465,084.00

School	Description of Service/Work to be Performed	Funding
Bitely Elementary	Trenching, Conduit Installation, Resurfacing, Inside Wire Cable Runs	\$125,300.00
Dewey Elementary	Trenching, Conduit Installation, Resurfacing, Inside Wire Cable Runs	\$78,925.00
District Office	Trenching, Conduit Installation, Resurfacing, Inside Wire Cable Runs	\$97,225.00
Duff Elementary	Trenching, Conduit Installation, Resurfacing, Inside Wire Cable Runs	\$124,050.00
Emerson Elementary	Trenching, Conduit Installation, Resurfacing, Inside Wire Cable Runs	\$153,434.00
Marshall School	Trenching, Conduit Installation, Resurfacing, Inside Wire Cable Runs	\$79,175.00
Monterey Vista School	Trenching, Conduit Installation, Resurfacing, Inside Wire Cable Runs	\$100,300.00
Rice Elementary	Trenching, Conduit Installation, Resurfacing, Inside Wire Cable Runs	\$160,075.00
Sanchez Elementary	Trenching, Conduit Installation, Resurfacing, Inside Wire Cable Runs	\$127,125.00

Temple Intermediate	Trenching, Conduit Installation, Resurfacing, Inside Wire Cable Runs	\$109,325.00
Willard Elementary	Trenching, Conduit Installation, Resurfacing, Inside Wire Cable Runs	\$169,500.00
Williams Elementary	Trenching, Conduit Installation, Resurfacing, Inside Wire Cable Runs	\$140,650.00
Total Requested:		\$1,465,084.00
Ineligible Amount:		\$0.00
Total Possible Contract Amount Eligible for E-rate Program:		\$1,465,084.00
90% Paid By E-rate Funds		\$1,318,575.60
10% District Share		\$146,508.40

PROJECT: Data Network Upgrade

CONTRACTOR: Standard Tel

CONTRACT AMOUNT: \$480,769.00

School	Description of Service/Work to be Performed	Funding
Bitely Elementary	Cabling and installing drops in classrooms/offices	\$40,567.00
Dewey Elementary	Cabling and installing drops in classrooms/offices	\$34,592.00
District Office	Cabling and installing drops in classrooms/offices	\$38,350.00
Duff Elementary	Cabling and installing drops in classrooms/offices	\$57,338.00
Emerson Elementary	Cabling and installing drops in classrooms/offices	\$38,350.00
Marshall School	Cabling and installing drops in classrooms/offices	\$34,732.00
Monterey Vista School	Cabling and installing drops in classrooms/offices	\$39,985.00
Rice Elementary	Cabling and installing drops in classrooms/offices	\$42,785.00
Sanchez Elementary	Cabling and installing drops in classrooms/offices	\$35,567.00
Temple Intermediate	Cabling and installing drops in classrooms/offices	\$36,132.00
Willard Elementary	Cabling and installing drops in classrooms/offices	\$40,567.00
Williams Elementary	Cabling and installing drops in classrooms/offices	\$41,804.00
Total Requested:		\$480,769.00
(2651 Router w/ VPN bundle & associated software & associated, labor & taxes)		
Ineligible Amount:		\$18,463.53
Total Possible Contract Amount Eligible for E-rate Program:		\$462,305.47
90% Paid By E-rate Funds		\$416,074.92
10% District Share		\$46,230.55



STAFF RECOMMENDATION

The district administrative staff recommends approval of contracts with:

Data Com, Inc (network)-\$1,465,084.00, Standard Tel (network)-\$480,769,

Data Com, Inc (telephone)-\$270,171.42, Standard Tel (telephone)-\$343,591 and

SBC/Pacific Bell (DS3)-\$84,362.00 to be funded from E-Rate funds and bond.

DATA.COM

GARVEY / (SLD) PHONE PAYMENT SCHEDULE

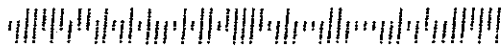
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SCHOOL NAME:	INVOICE #:	INVOICE DATE:	INVOICE AMOUNT:	AMOUNT PAID:	WHO PAID:	DATE PAID:
ADVANCE 11%	N/A	N/A	N/A	\$69,540.90	GARVEY	10/16/02
DUFF	8410	10/26/02	\$39,253.00	\$35,327.70	GARVEY	11/13/03
EMERSON	8421	11/02/02	\$53,236.00	\$47,912.40	GARVEY	11/13/03
MONTEREY VIS	8444	11/23/02	\$35,731.00	\$32,156.44	GARVEY	11/13/03
DEWEY	8445	11/30/02	\$41,850.00	\$37,665.00	GARVEY	11/13/03
HILLCREST	8458	12/14/02	\$44,118.00	\$39,706.20	GARVEY	2/14/03
DISTRICT OFFIC	8476	12/28/02	\$55,361.00	\$49,824.90	GARVEY	2/14/03
RICE	8477	12/28/02	\$45,651.00	\$41,085.90	GARVEY	2/14/03
BITELY	8501	01/25/03	\$43,250.00	\$38,825.25	GARVEY	4/17/03
BITELY HD-ST	8509	02/15/03			GARVEY	4/15/03
TEMPLE	8632	08/09/03	\$47,000.00	\$42,300.00	SLD	10/29/03
SANCHEZ	8668	09/05/03	\$41,600.00	\$37,440.00	SLD	12/01/03
MARSHAL	8688	09/24/03	\$39,800.00	\$35,820.00	SLD	12/15/03
WILLARD	8709	10/11/03	\$47,600.00	\$42,840.00	SLD	12/26/03
WILLIAMS	8728	11/10/03	\$41,000.00	\$36,900.00	NOT PAID YET	
GARVEY	8751	12/04/03	\$52,250.00	\$47,025.00	SLD	01/08/04
GARVEY	NO INV. #	12/04/03	\$4,490.00		GARVEY	01/08/04
			\$632,190.00	\$634,471.69		

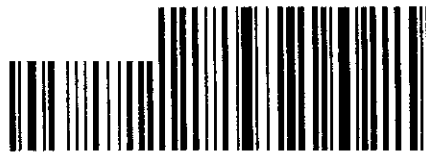
• PAID WITH A SEPARATE P.O.FROM HEADSTART \$18,500.00

SLD PHONE AMOUNT IS:	<u>SLD ALLOTTED</u>	<u>SLD PAID</u>
	\$243,154.28	\$242,325.00

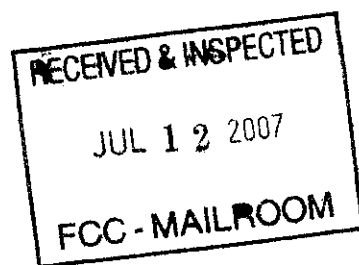
KEY SCHOOL
OF BUSINESS SERVICES
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Federal Communications Commission
Office of the Secretary
445 12th Street SW
Washington DC 20054